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COMPARATIVE TAXATION.

IN the last of two articles, entitled the 'Relative strength and weakness of nations,' which appeared in the February number of the *Century magazine*, Mr. Edward Atkinson treats of the burden of taxation in various countries, and makes an estimate of the "relative proportion of the assumed product per capita which is absorbed by national taxation only." It will be noticed that Mr. Atkinson confines himself to national taxation, including under that head, presumably, the taxes of the individual German states, as well as of the empire. Such a comparison may be of value, but it is evident that it can afford no criterion of the comparative burden of taxation in the various countries unless national taxes should form, approximately at least, a like proportion of the total taxes in each. As a matter of fact, the relative proportions of national and local taxes vary greatly with the different countries, local taxes being a much more important element in the United States than in the countries of Europe. In the latter, especially in the case of such centralized governments as that of France, revenue derived from national taxation is employed for purposes which here come under state or local jurisdiction. Therefore, though we should admit, as Mr. Atkinson maintains, that national taxes absorb a smaller proportion of the product in this than in other countries, it would by no means follow that the burden of taxation was lighter in the United States than in European nations. Mr. Atkinson would nowhere seem to affirm this conclusion, but his statements are misleading, from the fact that he neglects the consideration of the very important element of local taxation, — the only reference to the question tending to add to the wrong impression, — for he says, in speaking of what proportion of the total product is left to the producer after the deduction of national taxes, "In considering these remainders after national taxes have been set off, it must be borne in mind that municipal taxation as well as profits doubtless take a larger proportion in the poorer countries than in the richer ones."

In addition to his neglect of local taxation, Mr. Atkinson appears to have made another important oversight in failing to take into consideration the difference in the methods of obtaining revenue which exists among the various countries. In the United States, government depends almost entirely upon taxation for its support, but many of the European nations derive a considerable portion of their revenue from the profits on public undertakings, such as the telegraph, railroads, public domains, mines, etc. In the *Deutsche Rundschau* for January, 1885, Professor Richard von Kauf-

mann makes the following estimate of the proportions of receipts which come from taxes in the countries mentioned: —

	Percentage of receipts from taxes.	Percentage of receipts from other sources.
Germany (empire and states)...	41	59
Italy.....	69	31
Austria-Hungary.....	71	29
Russia.....	79	21
Great Britain.....	82	18
France.....	88	12

Mr. Atkinson appears to have substituted total revenue for receipts from taxes, for otherwise it is impossible to understand how he can have obtained the figures which he gives. He estimates the per capita national taxation in the countries given as follows: United States, not over \$6; Italy, \$10.42; Holland, \$10.90; Belgium, \$11; Great Britain, \$11.80; Germany, \$12; France, \$18.

It is interesting, in comparison with the above, to make an estimate taking into consideration local taxation and the distinctions in the sources of revenue, which will show the average per capita tax paid by a citizen of New York and Berlin respectively for all purposes, local, state, and national or imperial. The following statement is based on the 'Almanach de Gotha' for 1886, a statement of the Berlin budget for 1886-87 which appeared in *Bradstreet's* for March 20, 1886, and the report of the comptroller of the City of New York for 1884.

While these sources do not correspond exactly in time, they will afford results very nearly true. The per capita national tax in the United States, which Mr. Atkinson says does not exceed \$6, is placed at \$5.50, and the population of New York is estimated at 1,350,000. In Berlin the taxes are as follows: —

Imperial tax (exclusive of state contributions).....	\$ 2.03
Prussian tax (including contribution to the imperial treasury).....	3.44
City tax.....	5.35
Total.....	10.82

The owner of a house connected with the sewage system is charged one per cent on the income from the house, which payment amounts to about

thirty-five cents per capita. In New York the taxes are as follows :—

United States tax.....	\$ 5.50
City tax (including state tax).....	19.92
Total.....	25.42

The citizen of New York pays nearly two and one half times as much as does the citizen of Berlin.

Mr. Atkinson estimates the per capita product of the United States at \$200, and that of Germany at \$100 ; thus, although no estimate on a question of this kind can make any pretensions to accuracy, on the basis adopted by Mr. Atkinson, not only a larger amount per capita but a larger percentage of the product is absorbed by taxation in New York than in Berlin. The reason is that in Germany the city and state together derive more than half of their revenue from the profits of productive undertakings, and by superior methods of administration have greatly reduced the cost of government.

In Berlin, out of a total revenue of \$13,754,593, only \$7,042,014 comes from ordinary taxes. The profit on public works, particularly the gas and water works, amounts to \$1,325,419 in excess of payments made for the amortization of and interest on the first capital. Payments of a percentage of gross receipts by such private monopolies as street-railways and gas-companies are other sources of revenue, as is also a charge of \$23.80 for scholars in the higher schools. Payments by monopolies and scholars are taxes, yet they do not bear upon the citizens in general in any thing like the same proportion as do ordinary taxes, and, in a question of the burden of taxation, distribution is a very important factor. The neglect of the local element must also cause us to question Mr. Atkinson's conclusions in regard to the comparative amounts of debt. For instance, he places the per capita debt in the United States, including state debts, at \$27, and in Germany, including kingdoms and duchies, at \$39 ; but the debt of New York on Dec. 31, 1884, was \$126,871,138, or \$94 per capita, while that of Berlin is \$36,965,767, or \$28 per capita ; and in addition to this it must be remembered that in Germany both states and cities own large amounts of productive property, the value of such property, in the case of Prussia at least, being more than equal to the state debt.

While it would not be fair to argue from the comparative condition of New York and Berlin to the comparative condition of the United States and Germany as a whole, still the city, as a centre of production, is an element of great and growing importance, and in estimating the comparative burdens upon producers in this and other coun-

tries more valuable results will be obtained by considering those who work, as near as may be, under the same conditions in the various countries, than by taking the average for whole populations.

The figures for other countries than Germany are not at hand, but the same considerations would modify Mr. Atkinson's results in all cases, though probably to a less degree than in Germany.

The neglect of these three points — local taxation, profits from public undertakings as a source of revenue, and administrative methods as an element in the cost of government — has in large measure destroyed the value of Mr. Atkinson's work as a comparative study.

HENRY B. GARDNER.

A DISCUSSION ON ARSENIC POISONING.

A VERY interesting and instructive discussion took place at a recent meeting of the Suffolk district medical society on the subject of poisonous arsenical wall-papers. Dr. J. R. Chadwick described an experience which he had in his own family, in which his two daughters suffered from dyspepsia, colicky pains, and headaches, which disappeared when they left the house for the summer, and re-appeared on their return. He found that the wall-paper in the nursery was very arsenical, although, having previously suffered from this same cause, he had made special effort to obtain paper free from arsenic, and had been assured by the dealer that a chemist had analyzed it and pronounced it free from arsenic. During the discussion which followed, many cases of sickness were reported as having been caused by arsenic in wall-paper. Professor Hill of Harvard university said that he was the examiner for two of the most prominent paper-houses in the state of Massachusetts. During the period from 1879 to 1883 the percentage of arsenical papers was from fifty-four to sixty-five of all papers examined. In 1884 it had fallen to forty-seven per cent, and in 1886 to thirty-three per cent. Only thirteen per cent contained any thing more than a trace of arsenic. In reference to the law which had failed of passage in the legislature, limiting the amount of arsenic to one-fifth of a grain in the square yard, he thought our knowledge of the limit which it is safe to establish was too indefinite. A law to prevent the sale of 'rough on rats' would save more lives than a law to prohibit the sale of wall-papers containing a trace of arsenic. Professor Wood of Harvard university thought the chief danger was from the dust which is constantly being given off from the paper, and which is contained in the air of the room, by which it comes in contact with the